



Erste Bank finalizes acquisition of Rijekca banka

Erste Bank der oesterreichischen Sparkassen AG has finalized the purchase of 85.02 % of the share capital of Rijecka banka d.d. from the State Agency for Deposit Insurance and Bank Rehabilitation of the Republic of Croatia (DAB).

At the Closing of the transaction, which took place last Friday, 24 May 2002, the bank's shares were transferred to Erste Bank. At the same time, the sum of EUR 28 million was remitted to DAB as agreed. The remaining portion of the purchase price, a further EUR 27 million, will be paid at a later stage, after Erste Bank has concluded the Due Diligence. This started at the beginning of May and will continue until mid-June 2002 (30 working days). Depending on the outcome of the Due Diligence and the annual financial statements yet to be completed by the certified public accountants, the second installment of the purchase price may be subject to reduction.

Pursuant to the provisions of Croatian law, Erste Bank has submitted a mandatory tender offer to the minority shareholders for the remaining 14.98 % of the shares of Rijecka banka. The bid price is based on the purchase price originally offered for the DAB stake and amounts to EUR 12.79 per share. Should all shareholders take up the offer, the total amount would be EUR 9.8 million. The offer period will run until June 16, 2002.